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# The Efficacy Of Online Advertising Modalities: A Prescriptive Model

Marissa Suehiro

*Claremont McKenna College*

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**CLAREMONT McKENNA COLLEGE**

**The Efficacy of Online Advertising Modalities: A Prescriptive Model**

SUBMITTED TO

PROFESSOR KETAN MHATRE

AND

DEAN NICHOLAS WARNER

BY

MARISSA SUEHIRO

for

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## EFFICACY OF ONLINE ADVERTISING MODALITIES

# EFFICACY OF ONLINE ADVERTISING MODALITIES

The Efficacy of Online Advertising Modalities: A Prescriptive Model

Marissa Suehiro

Claremont McKenna College

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# EFFICACY OF ONLINE ADVERTISING MODALITIES

## **Abstract**

With the surge of technological advancements in the 21<sup>st</sup> century, online advertising and marketing has transformed into a multi billion-dollar industry. Nowadays, it is very likely that a company's success is dependent on the effectiveness of its online marketing strategy. When developing an advertising plan, companies must decide what their unique advertising needs are and use appropriate advertising formats that are most effective in achieving them. Unfortunately, companies often have very little guidance about how to choose modalities for specific advertising goals. The purpose of this paper is to examine the six most widely used online advertising modalities and the psychological frameworks that explain their effectiveness on developing positive brand attitudes among consumers. By doing so, a company would be better able to decide what kind of advertising modality would best fit their unique advertising needs. Using these findings, this paper develops a prescriptive model tailored for the specific advertising needs of one of the most widely known organizations in the world, the Professional Golfers' Association.

## **Introduction**

Effective marketing and advertising is a major aspect of any company's success. Without it, consumers would be minimally exposed to the product, resulting in insignificant profits for the company. In this technological era, the Internet has become one of the most widely used outlets for marketing and advertising. Nowadays, you cannot open up a web page without being bombarded by "MacKeeper" video ads or "Congratulations! You've won!" GIFs. Donaldson (2008) perfectly encapsulates the effect technology has had on the advertising industry when he states, "Digital advertising over these last fifteen years has ensured that business models and nature of advertising has forever changed" (Donaldson, 2008, p. 34).

Just like any other advertising outlet, there are copious amounts of choices to select from when developing an online marketing strategy. Whether the choice is to go with pre roll on YouTube or an AdWords Google ad, the possibilities when choosing a marketing plan are endless. Although online advertising has exploded into a major marketing outlet and has "forever changed" the field of advertising, there is little information available for companies looking to make a decision about which online advertising modality to employ.

One of the largest markets to utilize advertising in general is professional sports organizations. Large-scale professional sporting events such as the Super Bowl and the World Cup not only generate advertising for their sponsors (i.e. Super Bowl commercials) but also must advertise their own brand across various advertising channels. Professional sports organizations have a unique brand to market because of the many aspects of the sport they need to advertise. For example, the PGA or the

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Professional Golfers' Association provides information about all aspects of golf; including, the PGA Tour, professional instruction, equipment, and golf courses just to name a few. Because the PGA has so many areas of the sport to advertise, it is a very interesting and complex brand to market.

This paper will take an in depth look into the six major online advertising modalities. These six formats include pop up windows, banner advertising, video game advertising, rich media advertising, mobile advertising and social media advertising. After outlining previous empirical findings about each format and developing the pros and cons of each, the paper will delve deeper into the psychological theories behind each type of advertisement, more specifically, answering "what makes them effective at advertising a product?" Using past literature and empirical evidence, this paper will attempt to develop a prescriptive online advertising model for a professional sports organization, specifically the Professional Golfers' Association (PGA). The prescriptive model will be based on the PGA's specific advertising needs.



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### **Online Advertising Modalities**

#### *Pop Up Windows*

Being the only modality that has applications dedicated to blocking them, pop up windows are easily the most widely recognized and strongly despised form of online advertising. Invented in the mid 1990's, Ethan Zuckerman was just an innocent computer programmer looking for a creative way of adding an advertisement to a webpage without having to add it directly to the page itself. At the time, Zuckerman had no idea how big industry of pop up ads would become.

Pop up advertisements refer to those that appear in front of the users' desired website (See Appendix A). Although people mainly focus on the negative aspects of pop up windows, they do provide some advantages to advertisers. For example, because the pop up window is front of the website, it captures the users' entire attention; even if it is only open for a few milliseconds. The click through rate (CTR) of pop up windows (15%) is also found to be much higher than other traditional forms of online advertising, such as banner ads (.3%). Click through rate refers to the ratio showing how often people who are exposed to your ad end up clicking on it. CTR is a good indicator of how well your advertisement is performing (Clickthrough Rate (CTR), 2013). With the positive aspects, come a multitude of negative aspects of pop up windows. The first negative, is that pop up windows are easily the most intrusive and most despised form of online advertising. Having your company be associated with a modality that is so widely hated can have obvious setbacks for your brand. Also, because of the numerous amounts of applications dedicated to blocking pop up ads, it may be that the consumers you are trying to reach won't ever see your ad. According to PageFair, an online data collection

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company, 22.7% of Internet users have some sort of ad blocker installed on their computer. PageFair also reported that the use of ad blocking applications is growing at a rate of 43% per year. (Hill, 2013).

A newer form of pop up advertising is pop under windows. Instead of appearing in front of the desired website, pop under windows appear behind it. This newer form of pop up ads is seen as being less intrusive. But because pop under ads are still considered to be a form of pop up advertising, they also succumb to the negative aspects of pop up advertising that have already been covered.

A study conducted by Diao and Sundar (2004), looked at the effectiveness of pop up windows on users' orienting response and brand recall. Orienting response is a concept originally presented by Pavlov, which refers to the reflex that causes a response in people to a change in environment. It has been found that individuals who exhibit orienting response also exhibit involuntary attention to said stimuli (Gibson and Kelsey, 1998). In terms of pop up windows, researchers hypothesize that pop up windows will trigger orienting responses in individuals and therefore cause them to involuntarily pay attention to the ad, resulting in higher brand recall. Results of the study showed that pop up windows do have a significant effect on orienting response and ad recall compared to other forms of online advertising, such as banners. Researchers also looked at the role animation played in pop up advertisements and found that it does not have any significant effect on orienting response or brand recall. Results from this study may implicate that companies shouldn't feel the need to have a highly animated pop up window, because animation doesn't increase the return on investment (ROI).

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### *Banner Advertising*

October 27, 1994 is a day that will live in infamy. This marks the day that HotWired, a technology based online magazine, introduced the first banner ad to the world. Banner advertising is one of the oldest and most widely recognized forms of online advertising. But with new, more appealing modalities such as video game and social media advertising, many advertisers have put banner ads on the back burner and no longer believe in its effectiveness. An article published by CMO (2012), contributes the decline of banner ad effectiveness ironically, to the success of banner advertising. When the concept of banner ads was first introduced, it blew advertisers out of the water. It gave companies a new outlet to market their brand, which was much less intrusive than pop up advertisements. The success of banner ads made it so popular that every major corporation was hunting down banner ad space in all areas of the Internet. This success is what CMO ultimately attributes the decline of banner ads to. Because so many banner ads were scattered throughout the Internet, users developed “banner blindness.” Banner blindness refers to the idea that people who frequent the Internet glaze over all types of banner ads, no matter the content, because of the fact that there are just too many of them. With the typical Internet user being served 1,707 different banner ads a month (Morrissey, 2013), it is understandable that the majority of Internet users would develop banner blindness.

The original type of banner ad utilized only static images. The first banner ad produced by HotWired consisted of a picture with the words, “Have You Ever Clicked Your Mouse Right Here? You Will” (Singel, 2010)(See Appendix B). These static images imbedded in the ad are hyperlinked to the advertiser’s web page, but for the most

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part, banner ads are not an interactive form of advertising. A major benefit of using a static banner is that advertisers don't have to worry about different animations clashing with the overall look of the website (Optimus01, 2006). Also, because advertisers can only use one image in the banner ad, they don't have to worry about designing a lot of content compared to having to produce multiple images for an animated advertisement. Static advertisements also tend to be more informative than animated banner ads. More often than not, animated banner ads consist of information that is not necessarily beneficial to the user but rather act as filler information to make the advertisement seem more interesting. A negative side of static banners is that they are often times not interesting to look at. Users tend to overlook banner ads due to banner blindness, unless the ad consists of something that catches the eye.

With the field of technology constantly evolving, advertisers have developed a more sophisticated type of banner ad that consists of flash technology. Flash banners allow advertisers to incorporate animations and other eye-catching effects to banner advertisements. Many advertisers opt for flash banners instead of other types of animated banners because they tend to run more smoothly compared to older types of animation technology such as GIFs. Flash banners also are much more appealing to look at compared to static banners. People are less likely to succumb to banner blindness if there is some type of animation in the advertisement catching their attention. But although one would assume that an animated advertisement would attract more click throughs than static advertisements, studies have shown that animation in banner ads provide no significant effects on CTR.

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A study conducted by Robinson, Wysocka and Hand (2007), examined different design elements of banner advertisements and their impact on the CTR of said advertisement. Researchers looked at seven different design elements, including size of banner, message length, promo incentive, animation, logo placement, use of clichéd messages, and type of information provided. The significant results of the study showed that the size of the banner ad was the most influential aspect of banner ads on CTR. Large banner ads were found to produce more click throughs than small banner ads. In regards to animation, results showed that animation had no significant effect on CTR. So taking into consideration the increased cost of creating flash banner advertisements and the lack of support for the effectiveness of animation on CTR, advertisers may need to take a second look over whether static banner advertisements really are outdated and whether they deserve a second chance.

### *Video Game Advertising*

According to the PC Gaming Alliance, in 2012 the online gaming community grew to over one billion individuals (PC Gaming Alliance, 2013). And with the industry of video game advertisements expected to double from \$3.1 billion to \$7.2 billion in spending by 2016, it is obvious that video game advertising is one of the largest modalities of online advertising (Tassi, 2011). The industry of video game advertising all started innocently enough when a bored computer programmer decided to add a McDonalds logo into a version of the game Moonlander. This simple action marked the first case of adding a brand into any form of gameplay. Approximately 72% of Americans who play video games, also play online games (Statista, 2014), and the

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advertising industry quickly utilized the popularity of online gaming, turning online game advertising into a multi-billion dollar industry.

The first actual instance of planned advertisement in a video game dates back to 1983 when Coca Cola approached the gaming company Atari, to create a Space Invaders type game, with their logo integrated into game play (See Appendix C). In this Coca Cola inspired version of Space Invaders, the player maneuvers a Coca Cola space ship while attempting to shoot down the letters “PEPSI.” This type of game advertisement, where the game is developed with the sole purpose of advertising a brand is called an adverggame. Adverggames are interactive games that are often found on company websites that allow site visitors to play for free. Many big name corporations such as Kraft and NabiscoWorld utilize adverggames because of its many advantages over other conventional forms of advertising.

One advantage of adverggames is that because the game requires a person’s focused attention, people don’t just glance over the advertisement, but must actually become involved in it. Wirth et. al (2007) developed a cognitive theory called spatial presence theory that explains why gamers become so “addicted” to their games. By looking at all aspects of the game world during game play, the player develops their own idea of the game world. Once the player’s alternate world is fully developed, the player will fully immerse himself or herself into the game world and experience spatial presence. It is quite difficult for someone to become “fully immersed” into other types of online advertising because there are just not enough entertaining aspects of the advertisements to capture the consumer’s attention.

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Another obvious advantage to advergames is the fact that advergames just take up more time than most other forms of advertisement. When a consumer decides to play an advergame, the consumer is exposed to the advertisement for as long as they decide to play the game. Compared to the usual 30 second T.V. commercials or the 5 second YouTube pre roll, video game advertisements get sufficiently longer air time because of the entertainment aspect of the game itself. Also, because people tend to become addicted to games, it is much easier to draw people back to the advertisement compared to having to force people to sit through more conventional forms of advertising.

Regardless of the many advantages provided by video game advertising, there are some major disadvantages to choosing to use this modality. Online game advertisements do have the tendency to shove a lot of content towards the player. For example, because advergames are created for the sole purpose of advertising a brand, there is the possibility that players may feel pressured to invest in the brand and therefore develop negative feelings towards both the game and the brand. The most recent issue with online game advertisements deals with issues of morality. Many have expressed concern about online gaming advertisements because of the fact that online games tend to be marketed towards younger kids. The fact that advergames tend to be marketed towards kids becomes an issue of morality because many scientific studies have demonstrated the fact that children simply do not have the capabilities to distinguish between a game and an advergame. A study conducted by An and Stern (2011) looked at the mitigating the effects of advergames on children. In the study, researchers attempted to use an ad break (a break from the game to explicitly talk about the promotional purpose of the game) to educate young children about the actual purpose of advergames. An and Stern found that children

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do not understand the promotional nature of advergames, with or without an ad break. As stated in the study, “People should know when they are being advertised to; children deserve this right as well” (52).

Aside from advergames, one other major form of video game advertising is in game advertising. In game advertising refers to having actual products placed in the game world. An example of in game advertisement would be driving past a Target billboard while driving in Grand Theft Auto, or having your avatar drink a bottle of Coca Cola. The first game to introduce in game advertising was Crazy Taxi in 1999. In Crazy Taxi, the player could request a taxi to take them to real life destinations such as Pizza Hut and KFC (Shepard, 2009).

A major advantage of in game advertising touches back to the idea of spatial presence theory. By having real life products imbedded into the game, it only makes it easier for the player to develop a more complete picture of the game world, and thus more likely to become fully immersed in the game. Advertisers who utilize in game advertising also do not have to deal with creating an entire new game. With in game advertising, the game itself is already developed and the in game advertisers just add their logos to add to the realism of the game itself. It requires much less creative effort to develop in game advertisements as opposed to developing an original advergame. Some disadvantages to the use of in game advertisements is that it can make the game feel gimmicky or frustrate the player by overflowing the game with ads. Just like with advergames, if users feel flooded with advertisements during game play, they may develop negative feelings towards not only the game, but also the brand associated with the game.



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### *Video Advertising/ Rich Media Advertising*

At some point in our lives, we have all experienced having to sit through a pointless video ad. Whether it be waiting for the ever so anticipated “Skip Ad” link in a YouTube video or staring aimlessly at the 30 second ad that disrupts our precious Hulu time, we have all been there. But how did this incredibly annoying area of online advertising come to be? In terms of online advertising, “clicks” are seen as a measurement of success; the more your ad is clicked on, the more successful your ad is. When marketers needed to develop something more attractive to the user’s eye in order to increase click rate, video ads were born.

The first instance of video advertising came in the late 90’s, when Victoria’s Secret streamed their annual Victoria’s Secret Fashion Show online. The streamed event brought in 1.5 million viewers from across the world. 1.5 million seems like nothing nowadays though. In 2012 over 600 million streamed videos were watched daily, and that were only the ones streamed to mobile devices! (A Brief History of Online Video Advertising, 2012). Now, with powerhouse sites such as YouTube, online video advertising has exploded into one of the largest advertising industries in the world.

The first major category of video advertisement is linear video ads. These include ads that appear before, after, or during a break in video content. Marketers regularly call these types of ads pre roll, mid roll and post roll. A study conducted by Pashkevich, Dorai-Raj, Kellar, and Zigmond (2012) developed a new advertising measure to determine whether allowing viewers to skip linear video ads on YouTube after five seconds positively impacted advertising effectiveness. This new measure, named Follow on Search (FOS) looked specifically at search lift. Search lift is a term used to describe

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whether or not watching an advertisement actually affects the user's search activity post advertisement. After analyzing user activity during YouTube skippable in stream advertisements, researchers concluded that giving viewers the ability to skip ads positively affects post user behavior and makes these advertisements more effective in terms of search lift. Simply put, the results say that if a viewer watches a skippable advertisement on YouTube, it is much more likely that their future search queries will be related to the advertisement compared to if the viewer was not allowed to skip the advertisement.

As researched in the Pashkevich et. al (2012) study, one advantage of linear video advertisements is that by adding the choice to skip the ad, the advertisement ironically becomes more effective at changing the viewer's future search activity. Another advantage of linear video advertising is that companies such as YouTube have the capability to match advertisements with specific videos based on content. By doing this, it is much easier to target a desired audience based on the type of videos they watch. An obvious disadvantage to linear video ads is that although research has shown that allowing people the choice to skip an ad increases ad effectiveness, this research does not pertain to those people who just click out of the video as soon as an ad appears. Having pre roll or a video break during video content can cause viewers to abandon their idea to watch the video altogether.

Aside from linear video ads, there are also non- linear video ads. Non- linear videos are those that appear along with the video content. For example, overlays with embedded video that cover part of the window are considered non-linear video advertisements. An advantage that non-linear video ads have over linear video ads is that

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they can be displayed along side the video and therefore do not make the viewer wait for the desired video content. By not having that anticipation time, it is less likely that viewers will exit out of the window because of an annoying ad. But one disadvantage to non linear ads like overlays is that it could inadvertently cover important information like subtitles, captions or other necessary content of the desired content. Covering important parts of the website could be even more annoying than pre roll because there is not any choice to remove the advertisement.

### *Mobile Advertising*

Mobile phones have come a long way from 1973, when the first “portable” phone set was invented and weighed in at a whopping 2.5 pounds (Gamehouse Partners.) Nowadays, the mobile phone market is bigger than ever. As of January 2014, 90% of American adults own a cellphone (Pew Internet Project, 2014). Just as the mobile phone has transformed throughout the years, mobile advertising has changed with it.

The first type of mobile advertising was created in 2003, when the first commercial mobile SMS was launched. Commercial SMS messages were used for text message marketing. Text message marketing would send SMS messages to mobile phone users giving information such as phone numbers and websites to visit. (Thumbvista, 2013). Now with the ever-growing development of mobile technology, mobile advertisers are able to utilize more complex forms of advertising.

One major type of mobile advertising is interstitial advertisements. Interstitial ads are full screen video ads that appear during an interval break within an app (See Appendix E). We’ve all been there. Getting a little too invested in a game of Farm Heroes Saga when all of a sudden we are rudely disrupted with a video trailer for the latest

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blockbuster movie. Yet, mobile marketers are finding interstitial ads more and more appealing over other modalities. According to Greystripe, a major mobile marketing firm located in San Francisco, the click rates associated with interstitial ads are five times that of traditional banner ads (Johnson, 2012). A study conducted by Sung and Cho (2012), looked at the influence of different media types in mobile advertising on users' attitudes. Researchers examined the differences between SMS texts, still pictures and video on users' attitudes. Sung and Cho hypothesized that motion pictures would influence initial attitudes most while the influence of text and still pictures would increase over time. Researchers utilized two theories to develop their hypotheses, the heuristic systematic processing theory and the sleeper effect. The heuristic systematic processing theory states that videos are only processed heuristically and not systematically. So because the user does not need to exert as much cognitive energy to process the video advertisement, it may initially produce a more positive attitude compared to text or still pictures. The sleeper effect states that attitudes are developed directly from memory. Thus, if motion pictures are only heuristically processed, attitudes generated from text and still pictures may be more positive because both are systematically processed and the user will be more likely to remember the ad content. Results of the study supported both the heuristic systematic processing theory and the sleeper effect. Because videos are only heuristically processed, it was found that they have the strongest potential to initially change consumer's behavior, but over time, text and still pictures have a stronger overall potential.

Some advantages of mobile interstitial advertising are that they are visually appealing, and have high click rates. Unfortunately, as seen in the Sung and Cho study,

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one disadvantage to interstitial video ads is that the ad content may not stick with the consumer as long as text or still picture advertisements will. Some may also find interstitial ads, like the ones that interrupt mobile game play, highly intrusive. And compared to still pictures or text advertisements, creating content for interstitial ads require much more work.

Another form of mobile advertising is app lists. Examples of app lists are lists that appear within a mobile game app that have a list of things that you can do in order to earn more lives, coins, etc. (See Appendix E). App lists are confined to using a small thumbnail and minimal text to get the advertisement across due to the size of the mobile device. But based on the Sung and Cho (2012) study, utilizing still photos and text may actually be more effective at changing consumers' behavior.

One advantage of app lists is that they are easy to navigate through. App lists are formatted to look similar to an app store, so users won't be confused when looking through it. Also, because app lists provide the user with a range of different choices, an advantage to using app lists is that it is more likely that the user will be interested in at least one advertisement and more likely to click on it. The fact that app lists provide a bunch of different advertisements all at once can also be seen as a disadvantage. Having many advertisements together in one space can be very distracting to the user and advertisers will have to compete with other advertisers to catch the consumer's attention.

### *Social Media Advertising*

Being the generation of social media, it is only fitting that social media has become a major modality in the area of online advertising. With 72% of all Internet users being active on some type of social media, online advertisers have an enormous pool of

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consumers at their disposal (Bullas, 2014). Since the founding of Facebook in 2004, the number of active users exploded from one million in 2004 to 1.01 billion users by September of 2012 (The Associated Press, 2012). And as of 2013, 93% of all businesses use social media to advertise their brand.

But despite the exponential growth of social networking sites, do people actually pay attention to Social Networking Sites' (SNS) advertisements? A study conducted by Taylor, Lewin and Strutton (2011) examined the social media advertisements' factors that support and weaken the development of positive user attitudes. This study applied gratification theory to explain users' motivations to log on to social media sites. Gratification theory states that the popularity of social media is due to the fact that users feel the need to expose themselves online because of gratification seeking needs. Results of the study supported gratification theory; specifically, when SNS advertisements were consistent with the users' gratification seeking needs, users developed a more positive attitude towards the advertisement. Also, when the SNS advertisement provided some sort of social capital, attitudes about that advertisement were generally more positive. Simply put, when a user felt the need to pay attention to the ad in order to feel accepted socially, their attitude towards the advertisement was more positive.

Social network sites, or SNS for short, are seen as a unique advertising platform, because advertisers have a great deal of behavioral information about SNS users through their activity on SNS. Just by creating a social media profile, the SNS has access to your age, gender, and other pieces of information valuable to advertisers. Social media sites are also able to provide advertisers with information, such as who "likes" or "follows" certain pages and what kinds of hash tags are trending. SNS advertisements are also a

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great way of demonstrating your brand's personality. Social media is a way for brands to interact with consumers on a one on one basis; thus making the client feel like they are more personally connected with the brand. There is no other type of advertising modality that provides advertisers with more information than social media advertising.

The two major types of social media advertising stem from the two most popular social media platforms, Facebook and Twitter. Each social media site offers different advantages and disadvantages. Facebook, with its 1.2 billion users, reaches an overwhelming amount of people. And after a drastic change in marketing strategy on Facebook's part, Facebook advertising has never looked more appealing (See Appendix F). In an article titled, *Facebook's Ad Platform Finally Gets it Right*, Eric Savitz writes about Facebook's decision to launch Facebook Exchange platform, which allows advertisers access to users' information in order to match it with their own customer database. Doing so, advertisers can create targeted social media ads that are specific to users that already have relationships with the brand.

Aside from the clear advantage Facebook has over Twitter in terms of user numbers, Facebook also wins the competition over Twitter in terms of consumer relationships with businesses. In 2013, 80% of SNS users admitted that Facebook was the one SNS they use most to connect with businesses (Pick, 2013). One disadvantage associated with Facebook is that advertisers can have a difficult time reaching a new audience. If people don't know about your brand, there is really no way for them to learn about it. The only way companies can communicate with users through Facebook is if the user "likes" the company page. Facebook may not be an ideal advertising modality for

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small or new businesses. Also, because the main goal of Facebook is to interact with other people, being bombarded with ads may be perceived as annoying to some users.

Twitter, although significantly smaller than Facebook, is considered to be the current fastest growing social media platform in the world. Within a year, the number of Twitter users grew 40% in 2012, and 714% since 2009 (McCue, 2013). An advantage of Twitter advertising is that advertisements regularly appear in users' feeds, making it nearly impossible for users to avoid seeing them (See Appendix F). Appearing in Twitter feeds not only increases ad exposure, but offers users the ability to interact with the ad. Users have the capability of opening links within the tweet, or even re-tweeting the ad so their own followers can be exposed to it too. A disadvantage to Twitter ads is that with so many ads cluttering users' feeds, Twitter users can sometimes get overwhelmed and develop a negative view of Twitter ads altogether. Twitter, in of itself, is also very fast paced compared to Facebook. This can be viewed negatively because it requires companies to constantly come up with new, original content to update their Twitter with in order to keep users engaged.

With the impressive variety of online advertising modalities, the real question becomes "do they really work?" A company can invest millions of dollars into an online advertising campaign, but if the advertisements fail to draw the consumers to the brand/product, the millions spent can be seen as a lost cause. The six modalities that I have outlined are widely used by a number of large scale corporations and organizations, and for a good cause. Each of the formats draws upon psychological frameworks, which illustrate the reasons why each format is so effective at catching consumers' attentions. Each framework is widely recognized among psychologists and strongly supported by



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empirical studies. By studying these frameworks, advertisers will have more information at hand when choosing a modality to best fit their advertising needs. There is a reason why these six modalities are so widely used throughout the world, and it is because they truly do “work.”

### **Theoretical Frameworks**

#### *Elaboration Likelihood Model*

Developed by Richard Petty and John Cacioppo in the early 1980's, the Elaboration Likelihood Model explains the cognitive processes that go into persuading an audience. The model describes the process of elaboration and the factors that contribute to the likelihood that someone will elaborate on a piece of information. Elaboration, according to the ELM, is the "amount of thoughtful processing of information" (Sher & Lee, 2008). In terms of advertising, advertisers would want consumers to elaborate on information presented in their advertisements so that they actively think about the information and the brand.

The ELM is a dual process theory, meaning that it consists of two processes of persuasion. When presented with information, a person must choose between using either the central route or peripheral route of persuasion in order to cognitively process the information. "According to the ELM, elaboration likelihood is determined by an individual's motivation and ability to elaborate" (Sher & Lee, 2008). Motivation is the individual's willingness to put forth the effort to process information. And ability refers to an individual's mental capacity to process information. These two conditions are the deciding factors in determining whether a person uses the central route or the peripheral route to process information. If the two conditions are high, the individual will use the central route to process the information. When using the central route, individuals will listen to the material presented to them, will make the effort to retrieve information from existing schema to understand the material, and will evaluate the information based on their existing knowledge. Examples of advertisements that attempt to tap into the central

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route include ads that provide facts about the brand that the individual can use to develop an opinion about the brand/product. Car commercials that include information about gas mileage and safety awards are examples of central route advertisements. When the two conditions are low, individuals will use the peripheral route to process information. The peripheral route is typically used when the individual is not particularly interested in the presented information. People who use the peripheral route tend to use peripheral cues to process information. Individuals process the message “based on associations and rules of thumb, without requiring a personal evaluation of the issue relevant arguments presented” (Ho & Bodoff, 2014). Examples of peripheral route advertising include ads that have a celebrity endorsing the product. Having a celebrity in the advertisement will invoke those who like the celebrity to be more inclined to invest in the product/ brand. If people have positive feelings about the celebrity, those positive feelings will most likely spill over to the product being advertised.

One of the most widely cited studies supporting the ELM, was conducted by Haugtvedt and Petty (1992). Their study used individuals’ Need For Cognition variable to operationalize their motivation to process presented information. Researchers divided participants into high and low need for cognition groups. Each group watched the same commercial and was given product attitude assessments immediately after the viewing. Two days after the viewing, participants returned to the study expecting to watch another commercial, but instead were given a second product attitude assessment. Results showed that the first attitude assessments that were conducted immediately after the viewing were similar, but the delayed assessments were very mixed. Those in the high need for cognition group had much more persistent attitudes about the product compared to

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participants in the low need for cognition group. The study concluded that individuals with a high need for cognition (central route processors) elaborate more on message content, thus the reason why the high need for cognition group had more persistent attitudes about the product two days after viewing the ad. Individuals with a low need for cognition (peripheral route processors) tended to use more elementary factors, such as the number of arguments presented, to develop their brand attitude. People with a low need for cognition pay attention to the less sophisticated aspects of the brand and therefore do not process the information as deeply as those in the high need for cognition group.

The Elaboration Likelihood Model is an important theoretical framework to understand in terms of advertising because it explains how people form brand attitudes based off of advertising. With knowledge of the ELM, advertisers are able to better tap into consumers' central processing route, allowing them to develop advertisements that leave more of an impact on the consumer.

### *Episodic/Semantic Memory*

The episodic/semantic memory model was developed by Endel Tulving in 1972. According to the model, memory is divided into two systems, the episodic system and the semantic system. The episodic system “receives and stores information about temporally dated episodes or events, and temporal- spatial relations among these events” (Tulving, 1972). Our episodic memory represents our memory of experiences and special events in time in a serial form. It is unique to each individual and consists of personal memories that only the individual could have had. Remembering the time when your younger brother pushed you into a pool is an example of your episodic memory; no one can have that exact memory, but you. In terms of a laboratory setting, people are equally capable

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of remembering general knowledge words, but when given a recall test, participants may remember certain words better than others due to the individual's episodic memory related to those certain words (Tulving, 1972).

The other system, the semantic system, refers to a "person's organized knowledge about words and other verbal symbols, their meaning and referents, about relations among them, and about rules, formulas, and algorithms for the manipulations of the symbols, concepts and relations" (Tulving, 1984). An individual's semantic memory is not unique to the person; it has no personal connection to the individual, but instead is connected to the world that the person lives in. Semantic memory consists of more structured knowledge about the external world we have acquired through living. Remembering that it is against the law to jay walk is an example of your semantic memory.

Knowing how consumers process information and develop memories is important information for advertisers because they can learn what types of information are positively processed and what consumers are most likely to remember. A study conducted by Friestad and Thorson (1993) looked at how different types of encoding instructions affect consumers' long term memory and brand judgment when exposed to advertisements. Researchers had participants view a group of emotional and neutral commercials. The episodic group was given a set of instructions prior to viewing the commercial. The episodic instructions told the viewers to watch the material carefully in order to promote episodic processing in the participants. The semantic group was given instructions that encouraged semantic processing; viewers were told to watch the commercials and evaluate them in terms of their ability to "influence their thoughts,

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opinions and beliefs.” Six to eight weeks after the commercial viewing, participants were contacted by phone and questioned about whether or not they could recall what the advertisement was for, whether they could pick out the advertised product from a set of other products, and asked to give their opinions of the advertised product. Results from the study showed that stronger memory of the advertisement was associated with episodic processing and better judgment of the advertisement was associated with semantic processing. The difference in memory strength and judgment between episodic and semantic processing supports the fact that consumers may process information differently based on their own processing objectives.

The episodic/semantic memory framework is essential to the field of advertising because it seeks to explain how consumers process certain types of information and what kinds of information “stick” in people’s memory.

### *Classical Conditioning*

A framework taught in nearly every introductory psychology class, Pavlovian classical conditioning is an essential theory not only to the field of psychology but advertising as well. Ivan Pavlov developed the classical conditioning model in 1927 after conducting his renowned classical conditioning dog experiment. In this experiment, Pavlov found that when a conditioned stimulus was consistently followed by an unconditioned stimulus, “the learner responds to the conditioned stimulus as if it is the unconditioned stimulus” (Haugtvedt, 2008, p. 699). The conditioned stimulus should be something that does not elicit any sort of response. In terms of the experiment, Pavlov chose a bell as the conditioned stimulus. The unconditioned stimulus is something that elicits a biologically significant response. Pavlov chose food as the unconditioned

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stimulus for his experiment because food generates a biologically significant response (hunger/salivation) in every living thing. For the experiment, a bell was placed in front of a dog to represent a conditioned stimulus. Then a researcher would bring a bowl of food for the dog, remembering to ring the bell every time the food appeared. The goal with this process of ringing the bell every time food appeared was that the dog would gradually learn to associate the feeling of hunger with not only the food but also the bell.

After conducting the celebrated classical conditioning study with animals, it was only fitting to conduct another study with human subjects. Watson and Rayner (1920) performed their own classical conditioning experiment with a human subject, which has become widely known as the Little Albert experiment. The Little Albert experiment involved a nine-month-old infant, who was exposed to different forms of stimuli. These forms of stimuli included a rabbit, a rat, a monkey and different types of face masks. These stimuli represented the conditioned stimuli; they initially did not elicit any type of response from Albert. The unconditioned stimulus in this study was a hammer that was hit against a bar, which invoked fear and crying in Albert. Initially, Albert did not express any type of response when shown the conditioned stimuli, but once researchers began to hit the hammer against the bar while showing Albert the conditioned stimuli, he began to fear the conditioned stimuli just as much as he feared the unconditioned stimulus. With this study, Albert developed a learned response to the conditioned stimuli. Biologically, Albert was not afraid of the rabbit, rat and face masks, but by pairing them with the hammer, he developed a learned response of fear to these stimuli. Watson and Rayner both concluded that classical conditioning in childhood has a profound effect on our adult

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personalities; they assumed that our learned responses in childhood “persist and modify personality throughout life” (Watson & Rayner, 1920).

Classical conditioning is an important area of psychology related to advertising. People often use their own opinions of concepts related to the presented information to develop decisions. For example, a person who is deciding to buy a specific type of car may decide to buy one brand of car over another because of a learned response to the latter brand. Many consumer psychology studies have used the classical conditioning model as a basis for research about advertising (Haugtvedt, 2008, p.699). Advertisers can use the classical conditioning model to their advantage by pairing their product/ brand with stimuli that provoke a positive response out of the consumer.

### *Working Memory Model*

The working memory model, developed by Baddeley and Hitch (1974), is a theoretical framework created to account for how we process information into our short term memory. Short term memory, according to the model, consists of three parts; the central executive, visuo-spatial sketchpad and the phonological loop. The central executive is the most important component of the memory system. It is responsible for ensuring that working memory resources are used appropriately to achieve individual goals. The central executive can be seen as the “boss” of the memory system. Like a company boss, the central executive makes decisions about which issues deserve attention and which should be ignored. A boss can only do a number of things at a time, forcing the boss to choose issues based on significance. The central executive must also deal with choosing to focus on significant issues because our working memory is only so big. The visuo-spatial sketchpad and the phonological loop are two sub systems of the



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memory system that are responsible for holding information. The visuo-spatial sketchpad holds visual and spatial information and the phonological loop holds speech-based information. Both sub systems of the working memory model are considered “slave subsystems,” for they do not do anything besides hold information for the central executive. After a revision to the model in 2000, Baddeley added a fourth part to the model called the episodic buffer. The episodic buffer is responsible for adding all pieces of memory into a merged experience, thus providing a connection between working memory and long-term memory and extra storage room for information.

There have been many studies over the years supporting the working memory model. One of the most prominent studies in support of the working memory model was conducted by Robbins et al. (1996), which looked at the role of the central executive when chess players were asked to memorize positions of chess pieces on a board. Researchers formed several groups of participants, using each group to suppress one area of working memory. One group was asked to create random letter sequences while memorizing positions of the chess pieces. By doing this, researchers assumed that those who were asked to create random letter sequences were blocking the functioning of their central executive. Another group aimed at suppressing the phonological loop was asked to repeat the word “the.” And the final group was asked to type out numbers on a keyboard while attempting to memorize the chess positions. Researchers hoped that forcing participants to type on a keyboard would block the participant’s use of their visuo spatial sketchpad. Results of the study showed that those in the phonological loop suppression group did not show a significant decrease in memory, but those in the central executive and visuo spatial sketchpad suppression group did. These results support the

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fact that the phonological loop does not affect short-term memory (specifically about chess piece positions) very much. But the visuo spatial sketchpad and the central executive do in fact have prominent influence in short term memory processing (of chess piece formations).

One of the most important goals of advertising is to ensure that your brand/product sticks with the consumer. A consumer can watch your advertisement repeatedly for hours and hours but if they do not remember your brand/product when faced with a decision to invest or not, your advertisement hasn't really done its job. It is important from an advertising perspective, to know how consumers process information into memory and what causes some information to get processed and other information to be ignored.

### *Pop Up Windows, Banner Ads and the Elaboration Likelihood Model*

As stated earlier, the elaboration likelihood model is a theory that seeks to explain how an individual is persuaded to elaborate on given information. Pop up windows and banner ads simply demonstrate how knowledge of the ELM can be used beneficially to enhance an online advertising campaign. The ELM states that people either process information through the central route or the peripheral route of persuasion. If a person has both high ability and high motivation to process the information presented in a pop up window or banner ad, the individual will most likely process the information through the central route of persuasion. An example of this would be Person A doing research on computer companies because they are interested in buying a new computer. During research, Person A comes across a pop up window that shows the latest Apple laptop model, including information about the price, retina display, speed, etc. Because Person

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A has a high motivation and high ability to process the information about the computer, Person A will most likely use the central route to process the information presented in the pop up window. By doing so, Person A would listen to the arguments presented in the advertisement, make the cognitive effort to retrieve information from existing schema already present in their memory, and evaluate the quality of the argument in the advertisement based on the knowledge the individual already has. And because Person A processes the information about the Apple computer through the central route, their attitude about Apple will be stronger and less susceptible to counter arguments against the brand. If a person is low in motivation and ability to elaborate on the information presented in an advertisement, he or she will most likely use the peripheral route of persuasion to process the ad. Using the same example, if Person B was not researching for a new computer, but instead quickly searching the web for information to finish up their term paper, a banner ad displaying the latest Apple MacBook would not have the same effect as it did on Person A, who was looking to buy a new computer. Because Person B is not interested in the information presented in the advertisement, they would be considered to have low motivation to process the information. Also if Person B's paper is due in fifteen minutes and is desperately searching the Internet for information to include in their paper, Person B would be too busy thinking about finishing their paper and not have the ability to process the advertised information through the central route. Because Person B has both low motivation and low ability, they would process the advertised information through the peripheral route. By processing the information through the peripheral route, Person B would not be willing to retrieve stored knowledge from memory that would allow Person B to make an informed decision about the banner

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advertisement. Instead, Person B would rely on peripheral cues, such as the number of arguments or endorsements presented in the advertisement. In this example, if Apple really wanted to persuade Person B to develop a positive brand attitude, it would be most beneficial for Apple to include a celebrity endorser to appear in the banner ad. By doing so, Person B would associate their feelings about the celebrity endorser with the advertised information. Person B's brand attitude wouldn't be as deeply rooted as Person A's brand attitude, but it would be strongly developed for a short amount of time.

The elaboration likelihood model serves as an important framework for the study of advertising. Persuasion is a vital aspect to a successful online advertising campaign. If an advertisement fails to persuade a consumer to invest in their product/brand, the advertisement has failed. Thus, it is important for marketers to understand how consumers are persuaded and what kinds of information persuade certain kinds of audiences.

### *Video Advertisements, Episodic/Semantic Memory and the Elaboration Likelihood Model*

Video advertisements are an explicit way to describe the episodic and semantic memory model. Many advertisers depend on the episodic/semantic memory model without even knowing it. Companies that run advertisements that cause consumers to recall an individualized memory are examples of episodic memory advertising. For example, a video advertisement for the newest Honda minivan that depicts a soccer mom trying to load all of her children into the van is an example of episodic memory advertising. Many people in the target audience for Honda minivans will be able to recall their own memory of having to load their children into their old minivan. By creating ads that cause the consumer to think back to an individualized memory, many advertising

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agencies believe that the connection will cause consumers to develop a stronger and more positive brand attitude towards their product.

Yet, this type of episodic memory advertising generally only works if the brand is well known. Brands such as Honda and Apple take full advantage of their popularity and tend to develop advertisements aimed at the consumers' episodic memory. But what about companies that are not as well-known as Honda or Apple? This is where the other end of the spectrum, semantic memory, comes into play. New companies that have yet to develop a brand attitude with the general population tend to tap into semantic memory in order to develop a positive brand attitude for their company. A study conducted by Samuelsen and Olsen (2010) describes how new advertising entrants tap into consumers' semantic memory to develop a stronger brand attitude. Researchers explain that because established brands already have a part in consumers' memory schemas, it is more effective to utilize episodic memory in advertising. When the advertising brand is not well known, the brand is not present in consumers' schemas and using episodic memory based advertising would not be advantageous to the company. Researchers divided ads into two categories, functional ad claims and experiential ad claims. The functional ad claims represented the semantic based ads and the experiential ad claims represented the episodic ad claims. Functional ad claims are described as those that focus on the brand itself and explain how the brand is superior to competing companies. Experiential ads are defined as those that focus on the experience consumer will have with the ad, not necessarily the details of why the brand is better than others. Involvement level was also looked at to be a predictor of brand attitude. Researchers hypothesized that participants who have a high involvement in wanting to learn more about the brand will produce more

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favorable brand attitudes about new businesses with functional ads as opposed to experiential ads. Participants were asked to evaluate a new online banking system and were given a pamphlet to either induce high involvement or low involvement in the banking system. The pamphlet was manipulated to make the bank appear higher or lower in personal relevance. After being exposed to the pamphlet, participants were asked to watch an advertisement that provided either experiential claims or functional claims about the bank. The experiential group saw an advertisement that read “You will experience...,” while the functional group saw an advertisement that read “We promise to deliver...” After measuring participant’s brand attitude about the banking system, results of the study confirmed the hypothesized. When participants had high involvement with the new brand, functional claims outperformed experiential claims when measuring brand attitude. There were no significant differences between functional claims and experiential claims when the participants had low involvement with the brand.

Aside from the episodic/ semantic memory theory, the Elaboration Likelihood Model can also be used to illustrate the effectiveness of video advertisements. As I stated earlier, the ELM states that people either process information through the central route or the peripheral route. I have previously explained how the ELM can be used to demonstrate how banner ads and pop up windows persuade users to process the advertised information, but the ELM can also be used to support the effectiveness of video ads. If a person is particularly interested in the advertisement and has the cognitive ability to process information when they come across an online video ad, they will most likely process the information through the central route. If the person is not particularly interested in the advertisement and is preoccupied with other thoughts, the person would

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most likely process the information through the peripheral route, or even click out of the video ad altogether.

The episodic and semantic memory theory is an important piece of framework for video advertising. Video advertising is one of the only online advertising modalities that allow the advertiser to create a story for the consumer to experience. By creating the right story, with the right kinds of information, advertisers can develop a strong online advertising campaign that will speak to the right audience.

### *Mobile Advertising, Video Game Advertising and the Working Memory Model*

Because product memory is the main factor in developing brand attitudes about a specific product, it is vital for advertisers to know how people process information into short-term memory and what inhibits information from being processed. According to the Working Memory Model, there are three major parts to short term memory, the central executive, the visuo spatial sketchpad and the phonological loop. By ensuring that each part of the consumers' short-term memory is fully functioning, advertisers can assume that their advertising message is working to its maximum potential to influence consumers' attitudes.

As illustrated in the Robbins et al. (1996) study, certain types of distractions can affect information processing. In the study, distractions inhibiting the phonological loop had no affect on short-term memory, but distractions inhibiting the central executive and the visuo-spatial sketchpad did. This information is important to advertisers choosing to advertise via mobile and video game advertising because these modalities are often paired with a lot of distractions. Mobile advertising, specifically app lists, are often presented simultaneously with a bunch of other advertisements, thus if these other ads

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inhibit either the visuo-spatial sketchpad or the central executive from performing properly, it can have a negative effect on the advertisement's maximum potential.

Video game advertising is also paired with a lot of distraction. Because the modality is paired with a game, which is often times more interesting than the advertisement itself, it can affect the likelihood of the advertising information getting processed. For example, in game advertising refers to games that integrate advertisers' branding into game play. With in game advertising, consumers' focus is generally on the game, not on the advertising within the game. One very popular game, which is known to offer a lot of in-game advertising, is Grand Theft Auto. In game advertising in this type of game can be seen as a positive or negative for the gamer's experience. On the positive side, because the game requires players to drive around and remember areas of the game map, advertisements can be used as a memory device to aid the player in recalling certain areas of the game map. On the negative side, advertisements can be seen as distractions to the game and therefore to the visuo-spatial sketchpad, which is responsible for spatial and visual memory. And based on empirical support from the Robbins et al. (1996) study, distractions to the visuo-spatial sketchpad can significantly affect consumers' memory processing.

The working memory model is an important framework to know for those interested in utilizing mobile or video game advertising. The framework explains how information is processed into consumers' short-term memory. Knowledge about consumers' short-term memory is valuable to advertisers because short-term memory is what consumers' generally develop their brand attitudes from. Without knowledge of



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how short-term memory processing works, advertisers cannot develop an ad that will work to its fullest potential to influence consumers' attitude.

### *Video Game Advertising, Social Media Advertising and Classical Conditioning*

Classical conditioning is a type of learning that has strongly influenced psychology and advertising. By pairing a previously neutral stimulus with an unconditioned stimulus, we gradually learn to elicit the same response to the neutral stimulus as the unconditioned stimulus. In advertising terms, by continuously pairing the brand/product with something that elicits positive feelings in the consumer, the advertiser can gradually provoke the consumer to feel the same positive feeling to their own brand/product.

Video game advertising and social media advertising are related to classical conditioning because they both involve unconditioned stimuli. Both video games and social media tend to provoke positive feelings in people. So through classical conditioning, if the consumer learns to associate the advertisement with the positive feeling that comes with playing a video game or using social media, then the advertiser would be successful in developing a positive brand attitude via classical conditioning.

A study conducted by Gorn (1982), looked at the effects of music in an advertisement on a consumers' developed brand attitude. Researchers hypothesized that hearing liked or disliked music while being exposed to a product can directly affect brand attitude. In this study, the liked or disliked music would represent the unconditioned stimuli and the neutral product (a pen) would represent the conditioned stimuli. Researchers structured four different conditions for the experiment, liked music and blue pen, liked music and beige pen, disliked music and blue pen, and disliked music and

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beige pen. During the study, participants were randomly assigned to either the liked music group or the disliked music group. Once in their specified room, the music played while they watched a commercial for a pen. Researchers manipulated the advertisement by changing the color of the pen presented in the ad. Very little information was introduced in the advertisement to ensure that the music was the reason for the participants' choice in pen. After watching the advertisement, participants filled out a questionnaire stating how much they enjoyed the music, then were told that they could take either a blue or beige pen as a gift for their help. Based on the results, the study supported the hypothesis that the simple association between a product and another stimulus, like music, can affect product preference. Participants who were exposed to the liked music were more likely to choose the colored pen that was presented in the ad that they watched compared to those that were in the disliked music group. Although researchers acknowledged the fact that the consumers' choice may be due to previous schema about the color of the pen, classical conditioning can be a possible explanation for the results. Because the music was well liked, it served as an unconditioned stimulus that elicited a positive response with both the music and the pen (conditioned stimulus).

Using this study, we can conclude that if advertisers associate their advertisement with something that is well liked by consumers such as video games and social media, the advertising content, although significant, doesn't hold as much influence as it would without the association. Just associating the brand with something that is well liked can elicit a positive response to the advertised information and more importantly, the brand.

Classical conditioning is an essential framework for advertisers to be aware of because it provides deeper insight into what factors affect a consumer's brand attitude.

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The framework can be used to an advertisers' advantage by explaining how to most effectively elicit positive attitudes from consumers. An understanding of classical conditioning allows advertisers to enhance their advertisements, using factors that most strongly affect a consumer's brand attitude. This type of knowledge can only benefit a company's advertising efforts.

### **Prescriptive Model**

In order to best develop a marketing strategy, the first initial step every company must make is to decide what they want to achieve. By creating a list of advertising goals, it becomes much easier for a company to plan out the necessary steps to carry out their marketing plan. Creating a list of goals also allows advertisers to better choose what type of advertising modality will best achieve each goal. Using the supporting information provided by the psychological frameworks and pairing them with the appropriate goal, the daunting task of developing a marketing strategy becomes much more conceivable.

#### *Goals of an Online Marketing Campaign*

The goal of every marketing campaign, regardless of whether it's online or in print, is simple. Get noticed. Every successful company understands that consumers will not just flock to you, even if you have a tremendous product that they cannot live without. If they don't know about it, it doesn't exist. Without a strategic marketing plan, a potentially prosperous company/product can get lost in the dust and eventually fail. As great as your brand may be, it cannot achieve success alone. Success is dependent on not only the brand/product, but an effective marketing campaign as well.

With the increase in online traffic within the past ten years, many businesses find that online marketing campaigns are the most logical choice to make when choosing what type of marketing strategy to use. And with the various amount of online advertising modalities that I have previously outlined, it is obvious that it can be quite an overwhelming task to create an online advertising campaign.

The first task any company must complete is to decide what the company wants to accomplish with their advertisements. Without specific goals set, it is difficult to get a

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grasp of what the purpose of the advertisements are and what they are intending to accomplish. In terms of the PGA, I have developed four main goals that I believe are essential to their brand and thus, a successful marketing campaign. The first of the four goals is to increase traffic among their targeted audience. An advertisement not only needs to increase traffic to a brand's website, but more specifically increase traffic amongst the targeted audience of that brand. It is important for a brand to not only increase traffic to their website, but more importantly increase traffic from those consumers that are interested in their product. As important as it is to welcome new consumers to your brand, with a company like the PGA, that is so widely known, I believe that it is more important to work to maintain their already established audience. According to a study conducted in 2012 by the National Golf Foundation and the U.S. Census Department, there were approximately 29,000,000 people in the U.S. who played golf. Of these 29 million people, the largest age group consisted of 50-70+ year olds, which made up 61% of U.S. golfers. So based on the age breakdown, it is important for the PGA to develop advertisements that attract users from their targeted age range.

The second goal is to increase online visibility. As I have stated earlier, if no one sees you, you don't exist. If a person isn't aware that your company has a website, they will most likely not go out of their way to search for it. Consumers like to have information handed to them on a silver platter; if they have to exert more energy than usual to look for your online presence, they most likely will not. So it is important to have a visible online presence that is easy to spot amongst those that are most interested in your product. One simple way of creating an online presence via online advertising is to advertise your product on related websites that people interested in your brand will

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regularly visit. By doing so, you already have an established audience at your fingertips. Regarding the PGA, advertising on the PGA Tour website, golf course websites and golf shop websites would be advantageous to the brand because the people who are visiting these sites are most likely interested in the PGA and what it has to offer.

The third goal is somewhat related to the second goal and it is to effectively relay what the company can provide the everyday consumer. The PGA is a well-known name, but many people don't really understand how the PGA benefits the everyday golfer. With a name like Professional Golfers' Association, a consumer may not necessarily believe that the PGA has anything to offer the everyday golfer. Unfortunately, many consumers are quick to make this assumption and do not take the time to learn that the PGA is responsible for many of the facets of golf that recreational golfers enjoy. I think that this is a vital goal, not only for the PGA, but for every company. It is important for brands to thoroughly explain what they do and how they impact the consumer. Without that, there is no real reason for the consumer to have an interest in the brand.

The fourth and final goal for the PGA's online advertising campaign would be to establish a brand presence in social media. Social media is a huge aspect of the Internet nowadays and accounts for much of the Internet usage. In this social media focused era, it is essential for companies to utilize social media. Without a social media presence, companies would be missing out on a vast majority of Internet users. Also, because the PGA's targeted audience (50-70+ years old) is a bit older and may not use social media very much, advertising with social media can be an effective way of introducing their brand to a new audience, specifically a younger age group that is more adept with social media.

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By developing specific goals for an online advertising strategy, it is much easier to navigate through the various modalities available in online advertising. Having goals set in place also makes it a lot easier to know when your strategy has succeeded and when your strategy has failed. Developing an online marketing strategy can be quite a daunting task, but sticking to smaller, more attainable goals, can make this daunting task a lot more achievable.

### *Prescriptive Model*

With the four advertising goals for the PGA in mind, there are certain types of modalities that will work better for certain goals. Using the six major modalities and the psychological support behind them, I will attempt to prescribe the most effective modality for each goal.

The first goal is to increase traffic on the PGA's website among the organization's targeted audience. The PGA's target audience consists of people that are already aware of what the PGA is and are looking for additional information about the organization. As I stated earlier, the PGA's target audience is comprised of 50-70+ year olds (National Golf Foundation, U.S. Census Department, 2012). Because the PGA's target audience is more mature and less technologically savvy, modalities such as video game advertising and social media advertising may not be the best means to achieve this first goal. Instead, I would recommend more traditional types of online advertising modalities such as banner ads or pop up windows. With an older audience, it is important to develop ads that they are already accustomed to, so that they are able to focus more on the advertisement content rather than navigating through the advertisement itself. Compared to the 77.7% of

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15-34 year olds who utilize the Internet, only 58.3% of people 65 years and older use the Internet (U.S. Census Bureau, 2013).

By using banner ads and pop up windows, advertisers will be able to tap into the consumers' process of persuasion via the elaboration likelihood model. Based on the elaboration likelihood model, it is in the advertisers' best interest to place their advertisements in places that would most likely capture the attention of consumers who are highly motivated to process the advertisement information. In terms of the PGA, by placing banner ads or pop up windows on related websites such as golf course or equipment sites, the PGA will be able to capture a target audience with a high motivation to process information about the PGA. People who visit these kinds of websites will be highly motivated to process information about the PGA because they have already exerted the effort to look for information about golf. People who are highly motivated will utilize the central route to process the information presented in the advertisement. Using the central route, consumers who come across the PGA advertisement will be likely to comprehend the arguments that are presented, make the cognitive effort to retrieve information from existing schema to better understand the advertisement, and evaluate the quality of the argument based on the knowledge that he/she already has. And according to the Haugtvedt and Petty (1992) study, people who process information through the central route, process the information on a deeper level than those who use the peripheral route. Processing information on a deeper level means that central route processors develop stronger and more persistent attitudes about the advertising brand than peripheral route processors.



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Although banner ads and pop up windows are known to be two of the most despised forms of advertising, these two modalities will still be beneficial to the PGA and their advertising goals. One major disadvantage with pop up windows is the fact that many online users have applications installed on their computer dedicated to blocking all forms of pop up windows, regardless of whether or not the pop up window is relevant to the user. This disadvantage would most likely not affect the PGA because as of 2013, only 22.7% of web surfers have ad blockers installed on their computers (Hill, 2013). This 22.7% is most likely comprised of daily computer users and only a little more than 50% of people in the PGA's target audience are daily computer users (U.S. Census Department, 2013). Taking these numbers into consideration, we can assume that majority of the PGA's target audience does not have ad blocking technology installed on their computers. The major disadvantage with banner ads is banner blindness. Banner blindness is the idea that people who frequent the Internet tend to glaze over all types of banner ads, regardless of the content. I don't believe that this will influence the PGA's advertising because of the fact that their target audience doesn't frequent the Internet as often as other age groups, thus they will most likely not develop banner blindness. So although banner ads and pop up windows do have disadvantages associated with them, I don't believe that they will affect the PGA's advertising efforts because of the specific demographic they are attempting to reach.

Placing PGA advertisements on a related website would also serve to achieve the second goal, which is to increase the brand's online visibility. This would include people who may know of the organization, but are not aware of the existence of a PGA website and all of the resources it has to offer. Through marketing efforts, these consumers will

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be reminded of the organization through the advertisement and will hopefully be persuaded to navigate to the PGA's website to learn more. One way to achieve the second goal would be to utilize video/rich media advertising. Video advertisements are most beneficial for companies who are already well known. The use of video advertisements strongly depends on the episodic memory model, which includes developing an advertisement that can cause the consumer to recall an individualized memory when watching. By developing an ad that can cause a consumer to recall an individualized memory about the product/brand, it persuades the viewer that the product/brand is something that is necessary in their everyday lives. Thus it is important that the product/brand in the advertisement is well known, something that the viewer already has an individualized memory of. With a brand like the PGA, video advertisements can be a worthwhile modality to use because many people can recall memories related to the organization. If the PGA was to create video advertisements that successfully force viewers to recall positive memories involving the association, viewers are more likely to develop a stronger and more positive attitude of the PGA. Specifically, I would recommend a linear video ad over a non-linear video ad. With linear video ads, the advertiser can better target the ad to consumers that are actually interested in the brand. According to the Pashkevich et. al (2012) study, linear video ads that provide an option to skip the ad have been found to positively influence search lift. Thus, creating a linear video advertisement for the PGA that provides a skip option may be an effective way to influence consumers' post ad search activity.

In order to relay information about what the organization has to offer, aside from developing informative ad content, the advertisement needs to draw in consumers'

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attention. In order to do this, I believe that video advertising would again be the most beneficial modality to draw in consumer attention. Because video advertisements are an entertaining form of advertising compared to more traditional modalities, it would be much easier for the PGA to draw in consumer attention. The Friestad and Thorson (1986) study established that video advertisements that were associated with emotional messages and tapped into the participant's episodic memory were found to be associated with stronger memory and more positive judgments about the advertising message. So in regards to the PGA, if the PGA develops video advertisements that elicit emotion and thus utilize the viewer's episodic memory, the viewer will most likely develop stronger memory and more positive judgments about the PGA's advertising message.

The fourth goal, which is to develop a brand presence in social media, is an obvious opportunity to use social media advertising. With 1.82 billion users worldwide, it would be a great loss not to utilize the social media market for advertising purposes. Because the PGA's largest audience consists of people between the ages of 50-70+, social media advertising can be an effective way of interacting with a new audience containing younger age groups. Social media is a great way for brands like the PGA, to demonstrate their personality and interact with customers on a more personal level. Social media allows advertisers to interact with users on a personal level by being able to respond immediately to users' comments and create conversations with customers. In order to fully utilize social media advertising, advertisers must be very involved with its social media pages and must constantly work to develop new, interesting content to post. A social media page that seems unattended to is almost as damaging as not using social media all together. Social media, at the root of it all, is a means for people to

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communicate with each other. If a company puts forth a social media page, they need to sacrifice the time to sit down and communicate with its customers through it. Just because you have a social media page doesn't mean that your brand presence is automatically established. For the PGA to fully utilize social media advertising, I would recommend that it use both Twitter and Facebook to advertise through. Because the PGA is such a large organization with a lot of different aspects to market, the PGA could potentially use different social media sites to advertise different aspects of its organization. For example, because Twitter is a fast paced SNS, the PGA could use it to advertise news about the PGA Tour by utilizing hash tags of certain golf tournaments or popular players. On the other hand, the PGA could use Facebook for information based advertisements about golf courses, equipment, rules, etc.. Each major SNS has its advertising advantages and I believe that as long as there is enough manpower to maintain each site, the PGA would greatly benefit from social media advertising.

Social media advertising also has the potential to elicit positive brand attitudes from consumers via classical conditioning. Because people tend to use social media for leisure and entertainment, social media often provokes positive feelings in users. A study conducted by Whiting and Williams (2013) looked at the different factors that influence social media users to continue using social media sites. Of the many reasons, some of the major factors people continued to use social media were relaxation, social interaction, and entertainment. These positive feelings that people experience when using social media can be used as an unconditioned stimulus from the classical conditioning model. In the model, the advertisement would be seen as the neutral stimulus because it will initially not elicit any sort of consumer attitude. The SNS site, because of its ability to

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elicit positive attitudes from users due to its entertainment aspect, would be considered the unconditioned stimulus. By continuously pairing an advertisement (neutral stimulus) with a social media site (unconditioned stimulus), the positive attitudes that the consumer relates to the SNS site will eventually carry over to the advertisement. Eventually, the advertisement will develop the ability to elicit the same positive attitude in the consumer compared to when they visit an SNS site. By pairing its advertisements with SNS sites, the PGA can hope to prompt more positive brand attitudes from consumers. The Gorn (1985) study looked at classical conditioning in terms of advertising and found that an association between a product and a stimulus can significantly influence product preference. In the study, those that were in the well liked music group tended to like the advertised product more so than those that were in the disliked music group. Through social media advertising, the PGA can create a brand presence in social media, tap into a new and younger audience, and provoke more positive brand attitudes via classical conditioning.

Social media advertising has a lot of advantages, but also a lot of disadvantages associated with it. For one, social media advertising requires the advertiser to devote a lot of time developing new content to post. To successfully use social media advertising, the advertiser needs to constantly create innovative, original content that will draw consumers' attention in. The PGA needs to be able to devote a good amount of time to maintaining its social media pages before it decides to use it. Also, if more than one person is in charge of maintaining a brand's social media page, the brand's voice could get diluted. In order to refrain from diluting brand voice, those in charge of social media need to understand what kind of voice the brand is intending to portray. When everyone

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knows what the overall objective of the social media page is, it is much easier to maintain consistency in posts and comments. Negative comments are also a major disadvantage to social media advertising. There is always a risk with comment-based modalities because consumers' negative comments can potentially damage your brand's reputation if enough viewers see it. To combat this, the PGA just needs to again, devote enough time to be aware of what is going on on their social media pages so that if a negative comment does arise on a social media page, they can reply in a professional and timely manner.

Using a mixture of banner ads, pop up windows, video advertising, and social media advertising, I believe that the PGA would be able to develop and manage a successful online advertising campaign.

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### Discussion

By applying the prescriptive model, I believe that the PGA would be able to efficiently advertise and interact with consumers. If successfully executed, the model should accomplish each of the four goals that the model has established. The four goals include increasing website traffic among a targeted audience, increasing online visibility among those who aren't familiar with the brand, relay information about what the organization has to offer the everyday consumer, and create a brand presence on social media. The PGA would benefit from using the model as opposed to not because it provides the organization with a clear path to follow in order to develop effective advertising content. Also, as opposed to using other advertising modalities, the formats that are included in the model are strongly supported by established psychological frameworks. By using these specific modalities, the PGA can be confident in the effectiveness of these formats to create positive brand attitudes among consumers.

With the model come a variety of strengths and weaknesses. A strength of the model is that it clearly states advertising goals specific to the PGA. Because of the large amount of choices one has to make when designing an advertising strategy, I can see it being quite easy for a company to get lost or distracted while executing a marketing plan. The main goal of the company can often times get muddled by other sub goals and sooner or later, the advertising team no longer knows why they created what they did. By stating specific advertising goals from the start, the PGA has a clear end point and can develop sub goals in order to map out what needs to be done in order to reach the end point.

Another major strength of the model is that it is tailored to the PGA's specific advertising needs. For example, banner ads and pop up windows were chosen for the

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model to take into account the PGA's targeted audience. Assuming that this population is not as technologically savvy as younger generations, banner ads and pop up windows showcase the most amount of information without requiring the user to know much about the Internet. The model also takes into account the fact that the PGA is already a well known brand. When creating an advertising strategy, it is important to determine whether or not the brand is well known or not. A brand that is not well known should have a different marketing strategy than a company that is well known. Because the PGA is an established brand that people recognize, the model uses video advertisements to tap into consumers' episodic memory. Video advertisements that elicit the consumers' episodic memory is most effective when the advertiser is a recognized brand because consumers can think back to a personal memory that they have had that involves said brand. As with most large scale organizations, the PGA suffers with developing a "personality" amongst the general public. It is difficult for an organization of its magnitude to seem approachable to the everyday consumer. The model takes this need into account by using social media advertising to develop an online personality and make the brand more approachable. By using social media advertising, consumers have easier access to the organization and don't feel intimidated communicating with the organization because they are already most likely accustomed to communicating through social media. Social media advertising also draws upon classical conditioning research and has the ability to elicit positive brand attitudes by pairing an advertisement with a well liked social media platform.

As with anything, there are always weaknesses to counter balance strengths. The first weakness of the prescriptive model comes with the use of banner ads and pop up



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windows. Both banner ads and pop up windows are generally associated with the negative stigma of being very intrusive and annoying online advertising modalities. Drawing on the classical conditioning framework, by associating a neutral stimulus (brand) with an unconditioned stimulus (banner ad/pop up window) that elicits negative feelings, the viewer can learn to associate their negative feelings about the banner ad or pop up window with the advertised brand. The classical conditioning theory is also applicable to linear video ads. Linear video ads can be seen as annoying and intrusive because of the minimum wait time a viewer must sit through before moving on to the desired website. With classical conditioning, a viewer can develop negative attitudes about the PGA if they find the linear video ad to be annoying and intrusive.

Another weakness in the model is the fact that it assumes that the PGA's target audience is not adept with computers. Although this can seem as an advantage from one perspective, this can also be seen as a weaknesses. If in reality, the PGA's target audience turn out to be very proficient with technology, more weaknesses of the modalities may become applicable. For example, when we assume that the target audience does not frequently use the Internet, we do not have to worry about the possibility of the consumer having a pop up blocker installed on their computer or banner blindness. If the target audience does suffer from banner blindness or has pop up blockers installed on their computers, this area of the prescriptive model can fall short.

The model also requires a lot of time and effort from the advertiser's side to maintain and successfully execute the marketing plan. Using social media advertising requires a lot of commitment to implement successfully. Not only does the advertiser need to constantly create entertaining and original advertising content, but they also need

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to be aware of the communication that ensues on their social media outlets. If an anonymous user posts something negative about the organization, the organization needs to address the issue immediately before the post influences the attitudes of other consumers. So although social media does allow large scale organizations to interact with consumers in a more personalized manner, it does have its drawbacks.

Every company is unique and thus has different advertising needs. A kick starter should have a different marketing plan from a well established corporation. But often times, companies are not aware of what advertising formats best fit their advertising needs. For example, a newly established company may not know that they should not attempt to develop advertisements that tap into the consumers' memory if they are not aware of the episodic/semantic memory model. By using psychological frameworks to support the effectiveness of the six most widely used online advertising modalities, we are better able to assess which modalities best fit a specific advertising goal.

One recommendation for future research directions would be to develop prescriptive advertising models for different types of organizations. The model presented in this paper works to achieve the needs of one specific organization. Developing models based on psychological research for different types of organizations with unique advertising needs would be a worthwhile endeavor. Another recommendation for future research would be to develop more empirical support for various types of online advertising modalities. While researching information, I found it difficult to find research regarding specific types of advertising modalities and what psychological theories explain their effectiveness on consumers. Creating this type of research could be of great help to advertisers looking to develop their own prescriptive models.

## EFFICACY OF ONLINE ADVERTISING MODALITIES

With Internet advertising revenues totaling to \$23.1 billion in the first six months of 2014, it is safe to say that online advertising is here to stay (IAB internet advertising revenue report, 2014). It is important not only for companies to develop a marketing strategy, but also to create one that is specific to their own needs. Doing what everyone else is doing may not always be the most effective means to market your company. Knowledge of psychological research about specific modalities can only benefit a company's advertising efforts. As David Ogilvy, the "Father of Advertising" once said, "Advertising people who ignore research are as dangerous as generals who ignore decodes of enemy signals."

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## EFFICACY OF ONLINE ADVERTISING MODALITIES

## Appendix A

## Example of a Pop Up Window



## Appendix B

## First Banner Ad Created by HotWired

The First Banner Ad\*:



\* as per Mashable

## EFFICACY OF ONLINE ADVERTISING MODALITIES

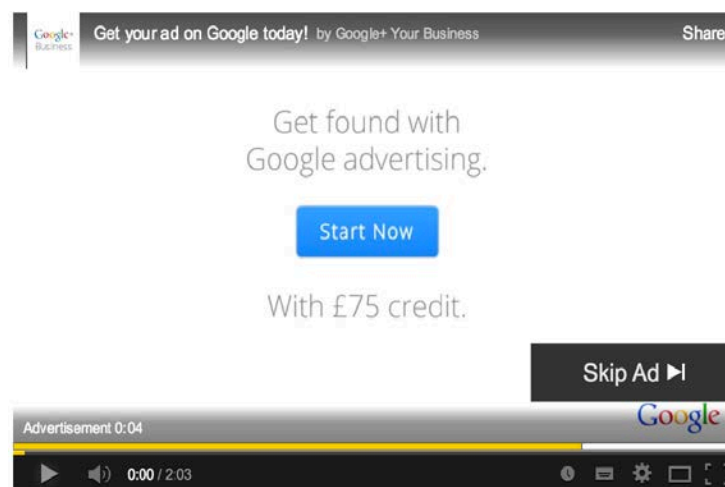
## Appendix C

Screenshot of Coca Cola Inspired Space Invaders Video Game



## Appendix D

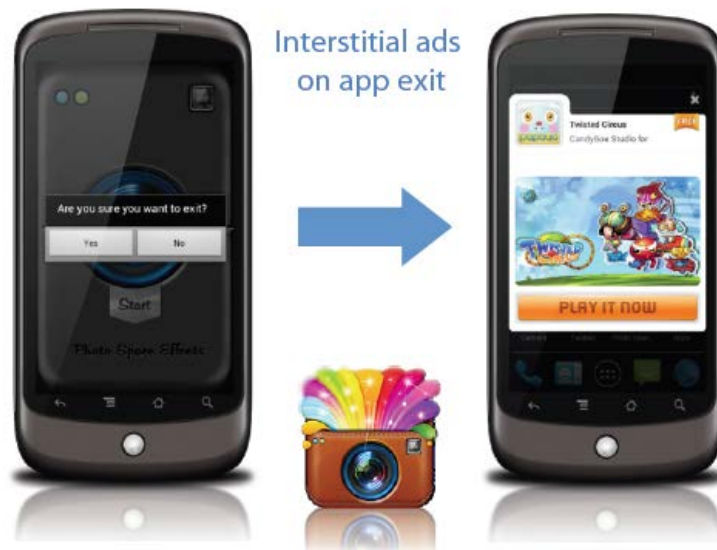
Example of a Video Advertisement on YouTube



## EFFICACY OF ONLINE ADVERTISING MODALITIES

## Appendix E

## Example of Mobile Interstitial Advertising



## Example of Mobile App Lists Advertising



# EFFICACY OF ONLINE ADVERTISING MODALITIES

## Appendix F

### Example of Facebook Advertising

**Reach the right people.**  
Instead of creating an advertisement and hoping that it reaches the right customers, you can create a Facebook Social Ad and target it precisely to the audience you choose. The ads can also be shown to users whose friends have recently engaged with your Facebook Page or engaged with your website through Facebook Beacon. Social Ads are more likely to influence users when they appear next to a story about a friend's interaction with your business.

### Example of Twitter Advertising

The image shows a Twitter profile for 'BUNKS' with 9,985 tweets, 4,997 following, and 10,669 followers. The 'Tweets' section features a promoted tweet from 'Rdio' (@Rdio) advertising a new music Tuesday. The 'Who to follow' section includes a promoted follow button for 'salesforce.com'. The 'Trends' section shows a promoted trend for '#KiaTipOff12'.

## EFFICACY OF ONLINE ADVERTISING MODALITIES

## Appendix G

Table of Online Advertising Modalities

<b>Modality</b>	<b>Description</b>	<b>Pros</b>	<b>Cons</b>	<b>Explanatory Frameworks</b>
Pop Up Windows	Advertisements that appears as windows in front of the user's desired website	<ul style="list-style-type: none"> <li>• Captures users' entire attention</li> <li>• Cost effective</li> </ul>	<ul style="list-style-type: none"> <li>• Very intrusive and annoying</li> <li>• Existence of pop up blockers</li> </ul>	<ul style="list-style-type: none"> <li>• Elaboration Likelihood Model</li> </ul>
Banner Advertisements	Static images that are hyperlinked to the advertiser's website	<ul style="list-style-type: none"> <li>• Don't have to develop a ton of original content to include in ad</li> </ul>	<ul style="list-style-type: none"> <li>• Not appealing</li> <li>• Banner blindness</li> </ul>	<ul style="list-style-type: none"> <li>• Elaboration Likelihood Model</li> </ul>
Video Game Advertisements	Logo/ Ad placement in video game play	<ul style="list-style-type: none"> <li>• Entertaining, have users' entire focus</li> <li>• Have users' attention for a longer span of time</li> </ul>	<ul style="list-style-type: none"> <li>• Creates pressure to invest in brand</li> <li>• Morality issues for targeting children</li> </ul>	<ul style="list-style-type: none"> <li>• Working Memory Model</li> <li>• Classical Conditioning</li> </ul>
Video/Rich Media Advertisements	Videos that play before a desired website	<ul style="list-style-type: none"> <li>• Engaging</li> <li>• Easier to target specific audience</li> </ul>	<ul style="list-style-type: none"> <li>• Can cause abandonment</li> <li>• Could be distracting for user</li> </ul>	<ul style="list-style-type: none"> <li>• Episodic/ Semantic Memory</li> </ul>
Mobile Advertisements	Ads that appear during mobile device use	<ul style="list-style-type: none"> <li>• Visually compelling</li> <li>• Reach large audience</li> <li>• Easy to navigate</li> </ul>	<ul style="list-style-type: none"> <li>• Highly intrusive</li> <li>• May not develop a lasting brand attitude</li> <li>• Confined to a small mobile screen to advertise</li> </ul>	<ul style="list-style-type: none"> <li>• Working Memory Model</li> </ul>
Social Media Advertisements	<ul style="list-style-type: none"> <li>• Ads integrated into social media pages</li> <li>• Social media brand pages</li> </ul>	<ul style="list-style-type: none"> <li>• Easy to target specific audience</li> <li>• Reach large audience</li> </ul>	<ul style="list-style-type: none"> <li>• Difficult to reach new audience</li> <li>• Must always have new content available</li> <li>• Negative comments</li> </ul>	<ul style="list-style-type: none"> <li>• Classical Conditioning</li> </ul>